5 | Europe

PHOTO: MYKOLAIV, UKRAINE. © WFP/SAYED ASIF MAHMUD

Around 5 million people in Ukraine faced high levels of acute food insecurity in 2024. While this was around 2.3 million fewer people than in 2023, primarily due to regular humanitarian assistance and fewer people living along the frontline, improvements were not uniformly distributed across the country.

While direct damage increased across all sectors in 2024, the energy sector continued to be particularly badly hit, which increased dependence on energy imports and pushed up production costs, including in the agricultural sector.

The Ukrainian economy showed some positive growth in 2024, but lack of employment opportunities and low incomes contributed to acute food insecurity. Rising energy, transport and food production costs continued to drive up prices, including for food, eroding purchasing power.

Many people remained displaced in Ukraine, and new displacements continued to occur as the frontline shifted. Displaced populations are particularly vulnerable to disruption of livelihoods, lack of income and acute food insecurity.

Focus | The impact of the war in Ukraine on its economy and agriculture

The war in Ukraine has had a significant impact on the country's economy and agricultural production and exports. The energy sector was severely affected in 2024, increasing production costs and dependence on energy imports (IEA, September 2024).

Impact of the war on the country's economy in 2024

In 2024, hostilities intensified significantly in several regions, including in the Donetska region, with increased air attacks across Ukraine damaging urban areas and critical energy, transport and other infrastructure. The war continued to negatively impact Ukraine's economy by destroying productive capital and disrupting economic activities (WB et al., February 2025).

After significant economic contraction in 2022, with GDP decreasing by 29 percent, the economy rebounded in 2023 with a growth rate of 5.3 percent. Growth was estimated at 3 percent in 2024, bringing GDP to 78 percent of its 2021 level (WB et al., February 2025). Poverty levels rose from 20.6 percent of the population in 2021 to 35.5 percent in 2023, according to the latest data available (WB et al., February 2025).

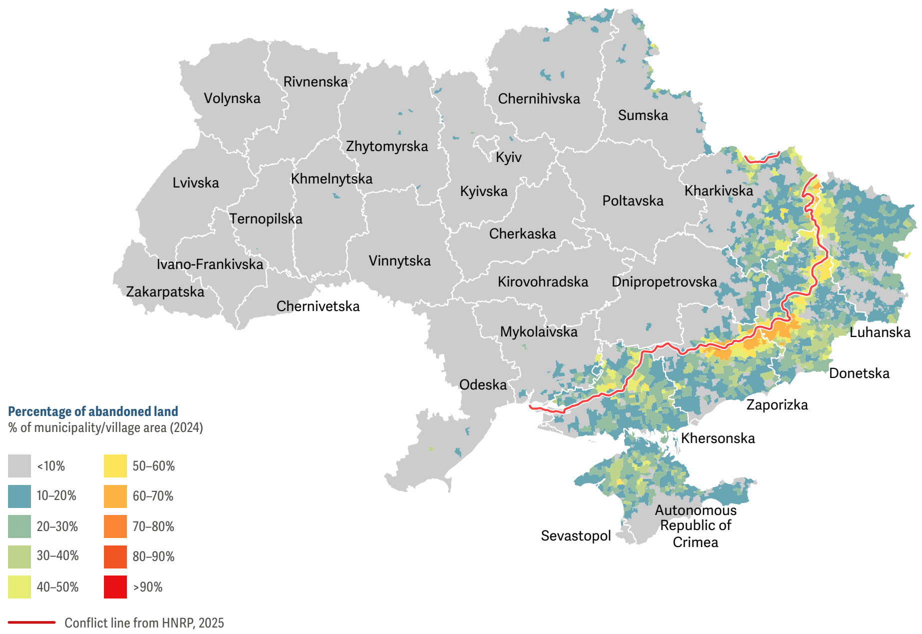
Significant improvements in agricultural exports in 2024

Despite attacks on port infrastructure, almost 90 percent of exports continued via Ukraine's ports (FEWS NET, October 2024). Following the termination of the Black Sea Grain Initiative in August 2023, Ukraine launched its own temporary maritime corridor, which greatly improved export logistics and bridged the gap between domestic and global prices (WB, February 2025). Maritime agricultural exports improved, with levels in 2024 nearing those seen before the war (WFP and KSE, April 2024). The increases in export volumes took place against a backdrop of persistent logistical, security and cost challenges, with frequent disruptions at land and sea borders hindering imports and exports, and transit routes frequently attacked (WFP and KSE, April 2024).

While export volumes of cereals (corn, wheat, barley and rye) were substantially higher from June to December 2024 than during the same period in 2023, they were expected to slow down from January to June 2025 due to the depletion of stocks accumulated primarily in the first year of the war in 2022. Low maize production in 2024 and high domestic prices may also discourage exports (USDA, February 2025).

In September 2024, a new system of minimum export prices for key grain and oilseed shipments was signed to mitigate ongoing price distortions in the domestic grain market. An agreement between the Ukraine government, traders and agriculture associations on the maximum grain export volumes for the 2024/2025 marketing year with the aim of maintaining domestic food security and affordability set the limit for wheat and a mixture of wheat and rye (meslin) at 16.2 million tonnes (FEWS NET, September 2024).

MAP 5.1 **Abandoned land as percentage of total land a at village level in 2024**



Source: Claverie et al, September 2024, based on data from Kyiv Polytechnic Institute.

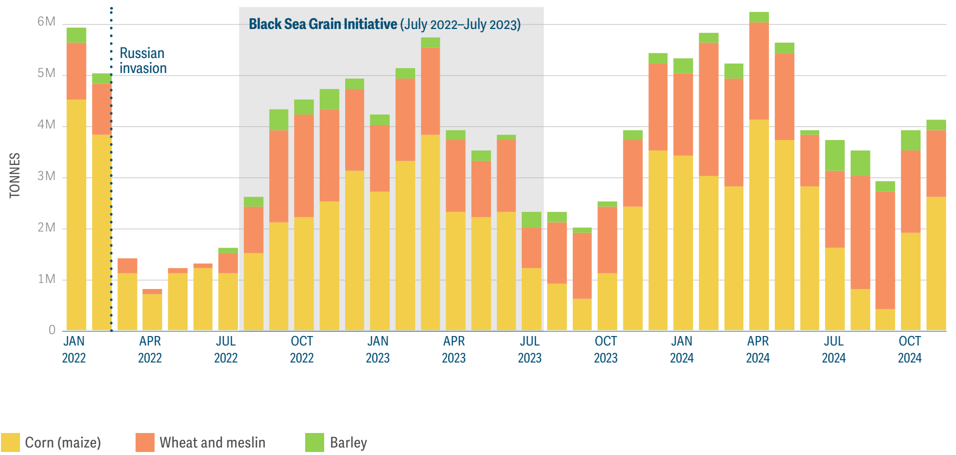
Impact of the war on agricultural production in 2024

In 2024, approximately 4.8 million hectares of agricultural land in Ukraine were abandoned – an increase of 0.3 million hectares since 2023 – primarily in and around conflict zones, particularly in non-government-controlled areas (NGCAs) and the eastern regions of Dnipropetrovska and Kharkivska (Claverie et al., September 2024). Active fighting, mining of agricultural fields, unexploded munitions, chemical contamination and other problems have all contributed to the abandonment of farmlands (IFPRI, December 2024). In NGCAs, 2024 crop production was substantially reduced due to the increase in abandoned land and decrease in cultivated areas since 2023, as well as dry conditions. In the rest of the country, the area cultivated did not significantly change (Claverie et al., September 2024).

Maize and barley production in 2024 was significantly below that of 2022 and 2023, primarily due to the reduction in the areas sown and harvested, while wheat production was similar. Crop production figures were also below pre-war levels, partly because estimates do not include data for NGCAs (USDA, February 2025), which were historically major production areas. The occupied regions of Donetska, Luhanska, Khersonska and Zaporizka accounted for about 21 percent of wheat, 17 percent of barley, 14 percent of rapeseed, 9 percent of soybeans and 19 percent of sunflower seed produced in Ukraine during 2016–2020 (IFPRI, December 2024).

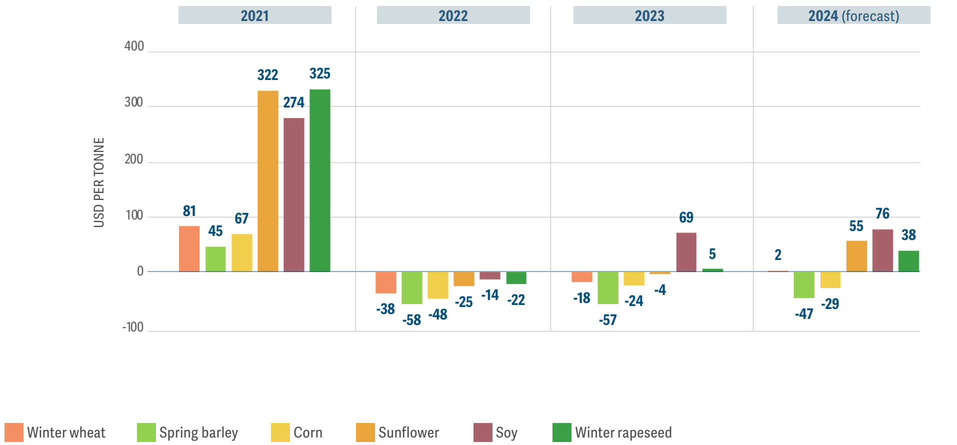
Soybean production was expected to increase in 2024 due to changing strategies leading to expansion of sown areas (WFP and KSE, April 2024), and rye production increased by 20 percent (USDA, February 2025).

FIG 5.1 **Ukraine grain exports**



Source: FAO-GIEWS based on the Global Trade Tracker [accessed 10 February 2025].

FIG 5.2 **Average profit from production of major grains and oilseeds, 2021–2024**



Source: USDA, 2024 based on data from Ministry of Agrarian Policy and Food of Ukraine.

To reduce risk, farmers are adapting their planting strategies, opting for crops that require less intensive fertilizer application due to its high costs and uncertain availability, and economizing on other inputs such as seeds and fuel. This includes switching towards growing feed-grade wheat instead of food-grade wheat and towards sunflower cultivation to mitigate losses in profitability from cereals (WFP and KSE, April 2024). Farmers' incomes are unstable. By the end of 2023, only a few oilseed crops, such as soybean and rapeseed, remained marginally profitable for farmers, while profit margins for most widely planted crops, such as wheat, rye, maize and sunflower seeds became on average negative (WFP and KSE, April 2024).

Impact of the war on fertilizer availability and prices

The fertilizer market still faced considerable challenges but showed signs of adaptation. The disruption of local production facilities increased Ukraine's dependency on imports, particularly from Lithuania, Poland and Türkiye. The sanctions imposed on Belarus, which used to be a significant fertilizer supplier, have also affected the availability and prices of fertilizer.

After a steep increase following the start of the war in 2022, fertilizer prices began to normalize by early 2023 as the government and private stakeholders adapted, using alternative overland routes and air shipments for critical supplies, making costs higher but ensuring availability (Waypoint, September 2024).

Impact of the war on energy infrastructure

Direct damage to infrastructure increased by nearly USD 24 billion between 2023 and 2024, with the housing sector and transport most affected. Across all sectors, the most significant damage occurred in Donetska, Kharkivska, Luhanska, Zaporizka, Khersonska and Kyivska oblasts (WB et al., February 2025).

The energy sector saw a doubling in damaged or destroyed assets, including power generation, transmission and distribution infrastructure. Renewed airstrikes in March and April 2024 at the end of the cold season in Ukraine wreaked more havoc than the October 2022–March 2023 damages, which mostly affected power distribution networks. The strikes severely damaged multiple thermal and hydroelectric power plants, knocking out power generation in the Kharkiv region. The April strike destroyed the Trypilska thermal power plant, one of the largest in the country, powering three regions in central Ukraine (ACLED, December 2024). Blackouts severely affected people's lives and livelihoods, particularly in the winter months (IEA, September 2024).

Attacks on power plants deprived Ukraine of 80 percent of its thermal generation capacity, inducing blackouts across the country (ACLED, December 2024; WFP, June 2024). The loss of generation capacities in the spring of 2024 led to a surge in electricity imports, which reached their highest volume since the escalation of the war in February 2022. Electricity imports remain crucial for covering the country's new energy deficit. Intense efforts are required to repair energy infrastructure, and synchronize this with the European energy system (WFP, June 2024).

The electricity deficit and price increase are having spillover effects on households and various economic activities, including agriculture and the food industry (UACAT, January 2025). The resultant increases in production costs for cereal and livestock farmers were passed on to the consumer. For instance, the price of wheat flour increased in the first week of June due to higher electricity costs for businesses (WFP, June 2024).

The value of the economic losses significantly exceeds the direct damage. Commerce and industry is the most-affected sector (accounting for USD 214 billion in economic losses), followed by agriculture (USD 73 billion), energy and extractives (USD 72 billion), and transport (USD 47 billion) (WB et al., February 2025).

DISPLACEMENT | Internally displaced people and returnees employ harsh coping strategies.

The escalation of the war in Ukraine from February 2022 has led to massive and ongoing waves of displacement inside the country and a large outflux of refugees across its borders, while millions have returned to the country.

As of December 2024, the International Organization for Migration (IOM) estimated that Ukraine had 3.7 million internally displaced persons (IDPs), representing 11.6 percent of the total population (IOM, January 2025).

The largest number of IDPs reside in Dnipropetrovska (14 percent of the total) and Kharkivska (12 percent) oblasts. The capital Kyiv hosts 11 percent. About one-third (31 percent) reside near the frontline. IDPs originate mostly from Donetska (28 percent) followed by Sumska and Kharkivska oblasts (IOM, January 2025).

The majority (62 percent) have been displaced for two or more years. New displacements continued to occur in 2024, with about 600 000 people newly displaced during the last six months of the year. The largest flow of intra-oblast displacement remains in Khersonska, Donetska, Zaporizka and Kharkivska oblasts (IOM, January 2025).

By December 2024, 4.2 million refugees had returned to Ukraine, with returnees making up 13.6 percent of the total population. Most returned to Kyiv city (21 percent), Kharkivska (16 percent) and Kyivska (14 percent) oblasts (IOM, December 2024). About 10 percent of returnees remained displaced, mainly as they were returning to areas close to the frontline and needed to move again.

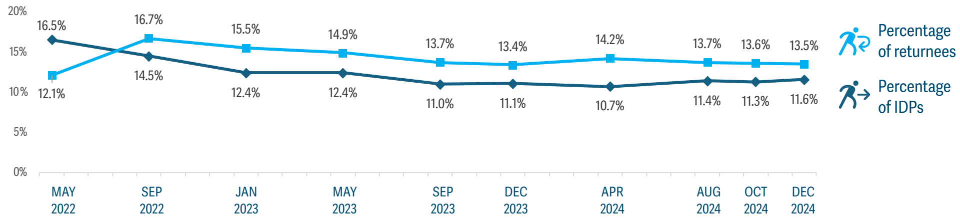
Both IDPs and returnees faced heightened socioeconomic challenges in 2024

The revised eligibility criteria for the cash assistance programme from March 2024, including stricter rules on employment and vulnerability criteria, negatively impacted displaced populations. Access to stable and secure employment and affordable housing remained central challenges, particularly for female-headed IDP households with children, young people and persons with disabilities. These groups face higher rates of poverty and food insecurity as well as limited access to essential services. Gender-based violence, including conflict-related sexual violence and human trafficking, have increased (WB, February 2025).

About two-thirds of IDPs adopted Crisis or Emergency livelihood-based coping strategies to meet basic food and shelter needs. These strategies included engaging in socially degrading, high-risk or exploitive income-generating activities, begging, or selling homes, land or other productive assets. More than half reduced health expenditures. IDP households also relied on consumption-related coping strategies. About two-thirds consumed cheaper foods and about half reduced the amount of food consumed. Around 40 percent reported that their households relied on humanitarian assistance to meet basic needs from June to September, reducing to 30 percent from October to December 2024 (IOM, January 2025).

IDPs residing in collective sites are particularly affected by impoverishment, especially older individuals and people with disabilities (WB, February 2025).

FIG 5.3 Share of IDPs and returnees in the total population in Ukraine, based on data available



Source: Ukraine General Population Surveys, rounds 5 to 19 (IOM, January 2025).

More than one-third of returnees adopted Crisis coping strategies, such as reducing health or education expenditures or selling productive assets, and about one in six adopted Emergency strategies to cover essential needs (IOM, January 2025).

There are around 6.6 million Ukrainian refugees globally

Of the 6.6 million refugees from Ukraine globally, 6.3 million were in Europe (UNHCR, December 2024), with the largest populations in Poland (around 1.8 million) and Germany (around 1.2 million). Around 0.4 million were in neighbouring Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Republic of Moldova and Romania. Two-thirds of refugees in neighbouring countries are women and girls (UNHCR, December 2024).

The number of cross-border movements saw a significant increase from February 2024, followed by a sharp decline after September. While inbound movements were greater than outbound movements during the months of April, July and August, outbound movements were greater than inbound during the other months (UNHCR, November 2024).

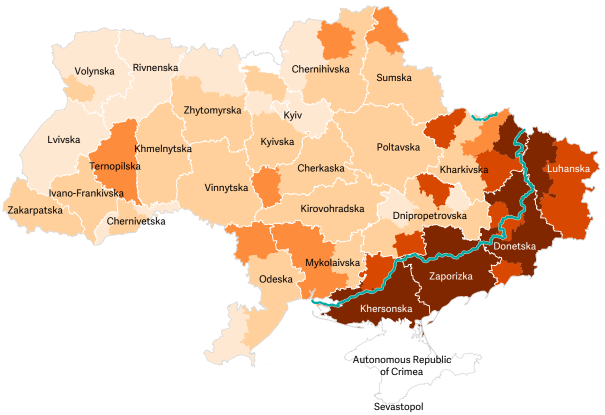
Ukraine

ACUTE FOOD INSECURITY | Population displacement and widespread disruption of livelihoods maintained high levels of acute food insecurity, although there have been some improvements since 2023.

PEAK 2024 (NOVEMBER)

5.0M people or 15% of the analysed population faced high levels of acute food insecurity. Of them, approximately 0.4M were severely acutely food insecure based on WFP CARI methodology.

This marked an improvement since the 2023 peak, with 2.3 million fewer people facing high levels of acute food insecurity, primarily due to regular humanitarian assistance in 2024 and a decrease in the population living along the frontline. Forty percent of the population facing high levels of acute food insecurity were in eastern and southern areas, in five oblasts close to the frontline: Zaporizka, Dnipropetrovska, Kharkivska, Odeska and Luhanska. Acute food insecurity significantly increased in the Centre region since 2023.



Source: OCHA-HNRP, January 2025.

DRIVERS OF THE FOOD CRISIS 2024–2025

Conflict/insecurity In the first 11 months of 2024, ACLED recorded a 63 percent increase in the average monthly attacks in Ukraine compared with 2023 (ACLED, December 2024). Donetsk, Kyiv City, Kharkiv, Dnipropetrovsk and Sumy (ACLED, 2024) were the most-affected provinces. The ongoing war has severely restricted market access, disrupted livelihoods and reduced household purchasing power (REACH and WFP, September 2024).

The conflict's moving frontline continued to drive displacement. In August, the escalation of hostilities in Donetsk and Sumy drove a surge of new displacement (FEWS NET, September 2024; OCHA, August 2024). Conflict escalation also led to new restrictions on civilian movement in Sumska and Donetska, limiting access to food and services (ACAPS, October 2024).

Access constraints and attacks on aid workers and facilities hindered operations with extreme and very high constraints in the eastern and southern areas around the frontline (ACAPS, October 2024). By mid-October, nine aid workers had been killed and 40 injured, mainly within 5 km of the frontline. Humanitarian facilities and assets were frequently hit (OCHA, December 2024).

In oblasts close to the frontline, households reported facing insecurity when travelling to marketplaces significantly more often than those in other oblasts further away from the frontline, particularly in Khersonska, Kharkivska and Donetska.

Insecurity in the marketplace itself was notably higher in Khersonska (20 percent of households reporting insecurity) and Kharkivska (19 percent) (REACH and WFP, September 2024).

Economic shocks The general increase in the cost of living was more marked during the second half of 2024. Currency depreciation and higher energy tariffs, combined with an increase in food prices due to a weaker harvest and rising wages due to labour shortages, led to rising inflation (WB, February 2025). These, combined with lower income levels and opportunities, impeded food access and pushed households to purchase cheaper food, deplete their savings or cut back on health expenditures to afford food.

At the end of 2024, consumer prices had increased by 12 percent year-on-year (WB, February 2025).

Displaced, female-headed and/or low-income households, sole or elderly individuals and families with disabled members were particularly affected (HNRP, January 2025). One-third of IDP households adopted crisis or emergency coping strategies, a significantly higher proportion than other population groups (REACH and WFP, September 2024).

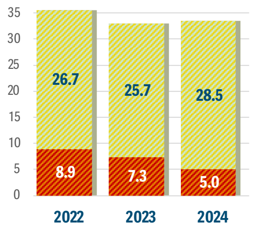
Small-scale farmers near the frontline are hardest-hit by agricultural sector challenges. Their profitability and income declined due to rising prices of fertilizers, fuel, energy and other inputs, combined with the decline in both domestic and international prices for grain and seeds (WFP and KSE, April 2024).

Insufficient income was a major factor, with 48 percent of households earning below the minimum subsistence level. This figure reached 60 percent in the Centre region (REACH and WFP, September 2024). Job and income loss continue, as well as persistently high inflation, affecting purchasing power and causing loss of assets among Ukrainians, particularly the most vulnerable. More than one-third of women-only households reported living below subsistence levels, and more than four-fifths of families with three or more children are living in poverty (WB et al., 2025).

Weather extremes Throughout the summer of 2024, Ukraine experienced unusually dry conditions. While yields of winter and spring crops remained close to the five-year average, yields for summer crops were below average, but without reaching a historical low (Claverie et al., September 2024; FEWS NET, September 2024). Rainfall deficits started earlier in the eastern part of the country from March onwards, leading to a more significant yield reduction in that region (Claverie et al., September 2024).

The 2024/25 production estimate for all grains in unoccupied areas is 13 percent lower than the 2023/24 estimate. This decrease is attributed to reduced yields due to adverse weather events in 2024, as well as shifts in crop selection. *See Focus | The impact of the war in Ukraine on its economy and agriculture page 125.* With ongoing conflict and approximately 21 percent of Ukraine's farmland in areas not under government control, agricultural production remains substantially below pre-war levels (USDA, February 2025).

Peak numbers of people (in millions) by phase of acute food insecurity, 2022–2024



Source: OCHA-HNRP.

History of the food crisis Ukraine moved up from the lower-middle-income to the upper-middle-income category in 2024. From GRFC 2017 to GRFC 2022, only the eastern oblasts of Donetsk and Luhansk were selected for inclusion due to localized conflict and high food prices. The intensity of the violence in those areas was greatest in the year of its outbreak in 2014 and thereafter subsided significantly and stabilized at a comparatively low level, up until the start of the full-scale war in February 2022. Since the GRFC 2023, the analysis coverage has been national. Acute insecurity was highest in 2022 and has since reduced, but still persists at high levels.

DISPLACEMENT

4 200 refugees and asylum-seekers

Source: UNHCR Nowcasted estimate, December 2024.

3.7M IDPs

Source: IOM, December 2024.

People in need
<0.1 percent | 0.11–0.2 percent | 0.21–0.3 percent | >0.3 percent | Conflict line from HNRP

Phases of acute food insecurity
1+2 - None/Minimal and Stressed | 3+ - Crisis or worse | Total population

Additional country of concern

ACUTE FOOD INSECURITY | Moldova, which hosted around 135 900 Ukrainian refugees by late 2024, was selected for inclusion in the GRFC for the second year running, but data did not meet GRFC requirements.

Moldova (residents and refugees)

Moldova, an upper-middle-income country, was selected for the first time in the GRFC 2024 due to external assistance provided to refugees from Ukraine, and again this year due to external assistance to refugees and the residents that host them.

The data used to assess acute food insecurity did not meet GRFC requirements.

From February 2022, nearly 1.2 million refugees and third-country nationals arrived in Moldova, the largest per capita number in Europe. By the end of 2024, an estimated 135 900 refugees remained in the country (UNHCR, December 2024). The government extended temporary protection status to them until March 2025, enabling access to employment, social assistance and healthcare. Integration of refugees has been good, with households mostly able to access employment and/or social assistance (UNHCR and REACH, December 2024).

A socioeconomic insights survey of refugee households suggested minimal food insecurity. Most respondents (59 percent) did not report any consumption-based coping strategies in the seven days before the survey. Around 53 percent reported using at least one negative livelihood coping strategy during the previous 30 days, of whom less than 1 percent used emergency coping strategies, suggesting that most households did not face significant economic hardship (UNHCR and REACH, December 2024).

Food inflation increased from March 2024, hitting 7.5 percent in November, higher than the same period the previous year (National Bureau of Statistics of the Republic of Moldova, 2024).

Selected for inclusion in the GRFC 2025 but lacks data meeting GRFC technical requirements.

Indicates refugee population (colour coded in the same way as countries).